

***WELCOME***  
***AND***  
***GOOD MORNING!!***

# The key concepts of our presentation will include:

- MINC
- PAD
- EFT
- MFIS

# MINC

- *Management Interactive Network Connection*

A database used by the agency to reduce the cost of compliance and increase the effectiveness of supervisory actions in the MFH program.

# MINC

- MINC allows managers to transmit tenant data electronically via the internet. It also provides the capability for managers to view, approve, and submit Form RD 3560-29, “Project Worksheet” to the agency.
- In addition to the tenant and payment information, management agents can transmit Forms RD 3560-7, “Multiple Family Housing Budget/Utility Allowance” and Form RD 3560-10, “Borrower Balance Sheet”.

# MINC

- Although participation is currently voluntary, all borrowers with projects of 8 units or more will be required to electronically transmit their tenant and financial data and process their payments.

**This requirement becomes  
mandatory on February 24, 2006.**

# MINC

**Managers of projects of  
8 units or more must:**

- Begin transmitting tenant information and project worksheets no later than **February 24, 2006**.
- Transmit the 2007 proposed budget via MINC.
- Transmit the 2006 actual balance sheet and budget via MINC.

# MINC

- Rural Development has revised their forms to comply with the new 3560 Regulation.
- Starting **May 1, 2005**, managers must begin using the new forms.
- Software Vendors will be given a six month grace period to update their software from the time they receive the form specifications from our National Office.

# MINC

- If you do not currently have automation support or would like to change your automation support, Handbook 2 contains a list of individuals and companies who have developed software to participate in MINC. It also contains service bureaus that will provide automation services at a fee.
- This list can be found in Attachment 6-G of the handbook. Rural Development expresses no preference or opinion on the products or services of any of the individual companies listed in the handbook.



# MINC

To participate in MINC you can do so by:

- Logging onto the MINC website at <https://usdaminc.sc.egov.usda.gov>.
- You will need your management agent Tax ID number to validate that all projects for said management agent are correctly associated to your Tax ID number.

# **MINC**

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**WE STRONGLY  
RECOMMEND YOU  
PRINT A COPY OF THE  
MINC TRAINING  
HANDBOOK**

# MINC

- Follow the step by step instructions contained in the MINC Handbook to obtain a MINC access code and password.
- The management agent will be required to electronically accept an automated version of the Trading Partner Agreement (TPA) while obtaining the MINC access code and password.

# MINC

- The initial access code and password that a management agent receives is considered the “TP” ID.

**The TP ID is the system administrator ID.**

- This ID allows you to set up each employee within your office with their own user ID. This is known as the “MA” ID.

**The MA ID is the ID which allows online transactions.**

# MINC

- If your “TP” ID needs to be reset please contact the Centralized Payment Center (CPC).
- If a “MA” ID needs to be reset the “TP” ID user has the authority to do so.
- Either one of these ID’s will be suspended after three failed login attempts and will need to be reset.

# MINC

- You should pay close attention to the Message Board section on the MINC homepage for regular updates.
- One recent update was that the “MA” ID has been given the ability to “VIEW” ONLY one future months project worksheet. This is to allow the “MA” user to determine early if the tenant information is correct.

# MINC

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- Some management agents with small projects do not use vendor software. Instead they transmit through MINC using the Fill-a-Form option. This feature transmits the information without saving it to managements files.

# ***EFT***

- Borrowers who receive Rental Assistance (RA) should sign up for *Electronic Funds Transfer (EFT)*, whereby the RA due to the borrower is transferred from the agency to the projects designated account.
- PAD and EFT Forms are included in your handouts. New or revised forms should be submitted to the CPC.



# ***PAD***

Borrowers who are required to submit a payment with their project worksheet should sign up for *Preauthorized Debit (PAD)* which electronically transfers the funds owed from the borrowers bank account to Rural Development

# ***BENEFITS OF PAD***

- ✓ You control the date and amount RD debits your account each month.
- ✓ Your payments are assured of arriving on time, eliminating late fees or interest charges.
- ✓ Eliminates lost checks and delays in mail delivery.
- ✓ Saves postage expense and overnight mailings.
- ✓ Eliminates paper check writing and clearing expense.
- ✓ Convenient.

# MFIS

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- Multi-Family Information System

A web-based application used by the agency to track tenant data and to ensure that each tenant receives the correct amount of subsidy. MFIS uses the tenant data to calculate tenant rents and RA.

It is also the source for occupancy statistics used to describe MFH program beneficiaries. These statistics are often provided to congressional delegates.

It is crucial that tenant data be correct because about \$1 billion in tenant subsidy is awarded annually based on each tenant status.

# 3560 TRANSITION ISSUES

- Project Worksheets are now being released on the 17<sup>th</sup> of the month. This is the national standard and cannot be changed.
- Effective May 1, 2005, all certifications must be prepared using HUD's passbook rate when calculating income from assets. Currently, HUD's passbook rate is 2%.

# 3560 TRANSITION ISSUES

- It is the policy of RD not to accept a tenant certification for an applicant or tenant with zero income unless all income is specifically exempted. **NOT EVEN FOR ONE MONTH!** You will find in your handouts a zero income verification checklist.
- Beginning May 1, 2005, all borrowers/managers who submit tenant certifications through MINC will begin being assessed overage charges for all certifications that are received more than 10 days after their effective date.

# 3560 TRANSITION ISSUES

- **The 3560 regulation and handbooks can be obtained by visiting the RD regulation website at: <http://rdinit.usda.gov/regs>. Forms can also be obtained from this site.**
- **To subscribe or unsubscribe to our Info Now newsletter please contact Emily Cannon at [Emily.Cannon@me.usda.gov](mailto:Emily.Cannon@me.usda.gov)**



- **This powerpoint presentation will be posted at <http://www.rurdev.usda.gov/me/recent.htm> to be shared with your coworkers.**

**THANK YOU!!**